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Thinking of exporting to the U.S.? It pays to learn the ropes

Did you know that over the past 20 years, the New Exporters to Border States program (NEBS) has prepared more than 20,000 small and medium-sized Canadian companies for export success in the U.S.? Although NEBS is available to business people across Canada, the program continues to be most active in Ontario, where it began in 1984. At least six times a year, new and potential exporters from Ontario get expert advice through visits to one of Canada's busiest border crossings, at either Buffalo or Detroit.

The Ambassador Bridge, connecting Windsor, Ontario, and Detroit, Michigan.

During this two-day mission, participants typically visit a U.S. customs office and a fulfilment warehouse; they attend a one-on-one interview with a trade commissioner at the Canadian Consulate General and receive a briefing on export financing. They also hear from a customs broker, a freight forwarder, an immigration specialist, an accountant, a banker and a manufacturers' representative.

The recruitment of Ontario companies to the NEBS program is handled by Ken Campbell, an international marketing consultant at Toronto-based Ontario Exports Inc. (OEI), the export development agency of the Government of Ontario. "For Canadians to be successful in the U.S., they need to understand the nuts and bolts of doing business across the border," Campbell says. "NEBS is an ideal way to learn the ropes. It's a tightly-packaged export overview given on-site by experts in the field."

"Participating in the NEBS program was one of the most valuable things I've ever done as a person running a small business," says Martin Black of Baxter Creek Tools. Before attending NEBS, Black found that shipping costs from his facility in Angus, Ontario, to the U.S. were simply too high to fill small orders for his woodworking device. NEBS introduced Black to the solution. During a tour of a warehousing facility in Buffalo, he learned that he could reduce shipping costs by sending large quantities across the border and warehousing them on the other side. It was a discovery that Black says led to "phenomenal savings" for his company.

According to Mary Mokka, Trade Commissioner and NEBS Coordinator at the Canadian Consulate General in Buffalo, it's a formula that works. "There's nothing like hearing it from the experts. In the 20 years I've been working on this program, I've done hundreds of NEBS missions and every single time I learn something new," Mokka says. "And the price is right. It's only $150 for two days of export education."

Even export veterans can benefit from the information provided on a NEBS mission. Thirty to 40% of the participants are experienced exporters and, according to Campbell, many of them are fervent NEBS advocates. "They tell me they wish they'd gone on NEBS before they started exporting because they would have saved a lot of time and money."

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International Trade Canada | Commerce international Canada

Canada

2007-01821/

Discover the new CanadExport

For 23 years, *CanadExport* has worked to provide Canadian businesses of all sizes with the export information and market intelligence they need to compete and prosper in the global marketplace. I am pleased to introduce the new *CanadExport*—bringing you the same reliable information, news and advice, with a fresh new look.

The commerce strategy in the Government's recently-released *International Policy Statement* includes the key priorities of advancing Canada's relationships internationally, providing the right services to business and making Canada a magnet for talent and investment. *CanadExport* aims to ensure that these priorities are reflected in each issue: from providing information on exporting to the U.S.—our number-one trading relationship—to offering leads on market opportunities abroad; with established trading partners such as Mexico, Europe and Japan, as well as the new economic powerhouses of Brazil, China and India. Recent features on the Canada Trade Missions to both China and India demonstrate how the publication supports International Trade Canada's Emerging Markets Strategy. It also covers investment-related news on joint collaborations, technology partnerships and multilateral business activities.

Exports account for almost 40% of Canada's economy, and are linked to one-quarter of all Canadian jobs. Last year, our trade surplus was $56.1 billion, up from $47.3 billion in 2003. Our exports reached record levels in 2004—all seven of our major commodity export groupings posted increases. *CanadExport* remains committed to helping Canadian exporters compete globally so that Canada—the best-performing economy in the G7—can see these trends continue.

With this, I invite you to explore the new *CanadExport*, with features in this issue on exporting to the U.S., the Kazakhstan offshore industry and a recent Canada-Germany investment agreement, as well as our regular trade fair calendar. I also encourage you to visit *CanadExport* on-line at www.canadexport.gc.ca, for even more articles and the most up-to-date information.

The Honourable James Scott Peterson
Minister of International Trade

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Another option available to experienced exporters is NEBS Plus, a mission where participants visit a trade show in their sector and meet with potential partners and buyers. NEBS Plus missions are organized through International Trade Canada's Regional Offices, located in provincial capitals across the country.

Because NEBS provides the foundations for successful meetings with buyers, Campbell encourages companies to participate in NEBS before NEBS Plus. "A lot of new exporters want to put the cart before the horse," Campbell explains. "They go to a trade show to meet potential buyers but can't quote a price for their product because they don't know what their distribution costs are going to be."

For more information on NEBS missions in Ontario, contact Ken Campbell, Ontario Exports Inc., toll-free: 1 877 468-7233, e-mail: ken.campbell@edt.gov.on.ca, Web site: www.ontarioexportsinc.com. Businesses in other provinces should contact their International Trade Canada Regional Office, Web site: www.infoexport.gc.ca/regions.

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Kazakhstan: adrift in a sea of wealth and opportunity

When people think of Kazakhstan, they envision a landlocked country of mountains, steppes, rivers and desert terrain. What is often overlooked is that Kazakhstan actually has a seacoast—and a lot of unexplored potential. The country's western region is bordered by the Caspian Sea, an immense body of salt water roughly the size of Europe's North Sea. While Kazakhstan shares the coastline with Russia, Azerbaijan, Iran and Turkmenistan, it maintains the lion's share.

Kazakhstan is a country rich in resources; huge mineral deposits, a growing agricultural sector and a mature onshore oil & gas industry have given Kazakhstan an economic leg up on its Central Asian neighbours. Recent discoveries of offshore oil in Kazakhstan's sector of the Caspian Sea are estimated to hold reserves of between 60 and 70 billion barrels. When the offshore is fully developed in 2015, combined oil production will elevate Kazakhstan to major producer status. Canada's offshore service and supply companies should take note: even though the industry is in its infancy, the race is on amongst expatriate firms posturing for market shares in Kazakhstan's offshore.

The Kashagan field, with recoverable reserves of approximately 15 billion barrels, is the only offshore field currently being developed. First oil is expected in 2008. Up to 120 additional offshore blocks are expected to be auctioned in late 2005 or early 2006. The resulting activity from further exploration, delineation and presumably development of these new fields will generate opportunities of monumental proportion for offshore oil & gas service and supply providers. With respect to offshore technology development and acquisition, Kazakhstan has just barely glimpsed the learning curve.

That being said, opportunities abound for providers in the following offshore industrial sub-sectors:

- port and harbour infrastructure design and construction;
- mechanical, marine electrical, and hydraulic repair and maintenance;
- shipbuilding, ship repair, and maintenance infrastructure and services;
- metal fabrication such as welding, pipefitting, and anti-corrosion protection;
- environmental assessment, monitoring, and remediation;
- occupational health and safety;
- marine navigation and engineering training services;
- sub-sea drilling equipment and support services; and
- engineering design and seabed geophysical profiling.

The seaport city of Aktau is poised to become the hub for Kazakhstan's burgeoning offshore oil & gas industry. Aktau is a bustling harbour with modern wharfage and dockside infrastructure that includes a rail terminal and oil tanker loading facilities. Authorities have confirmed that the majority of offshore infrastructure and support services will be centred in and around Aktau.

With this market intelligence in mind, a trade mission from the province of Newfoundland and Labrador made a first-time visit to Kazakhstan this past April. The mission consisted of nine representatives from seven offshore oil and gas service and supply companies and was organized by the Canadian Embassy in Almaty and International Trade Canada's St. John's Regional Office. The objective was to assess market opportunities in Kazakhstan's offshore oil & gas industry and to meet with potential clients and joint venture partners. Meanwhile, many Canadian companies have already established a firm foothold in Kazakhstan.

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A taste of Canada at BioFach

Representatives from Canada's organic agriculture and food industry were in Nuremberg, Germany, in February to participate in BioFach 2005, the leading international trade fair for the international organic foods and natural products industry. This year, 33,000 visitors attended; an increase of 12% from 2004, and 2,045 exhibitors participated; 8% more than last year, demonstrating the event's exposure potential.

Agriculture and Agri-Food Canada, with the support of other federal and provincial government departments, managed Canada's participation which included more than 25 companies, two associations and four government bodies. Trade fair visitors were invited to meet with organic food producers and exporters at the Canadian Pavilion, and to learn more about Canada's diverse organic agriculture and food sector.

Canada's presence at BioFach 2005 gave organic producers and exporters the opportunity to participate in an international event and promote a wide range of food and natural products, from raw material including grains and pulses, to finished products such as maple syrup, sugars and spreads, energy bars, wild rice, dips, salsas, oils, teas, mushrooms, hemp food products and honey.

"The Canadian Pavilion at BioFach was an excellent example of how to showcase the best Canada has to offer," said Saskatchewan Minister of Agriculture and Food Mark Wartman. "The Pavilion greatly assisted small and medium-sized organic companies in their marketing development efforts in Europe. I was very impressed with the level of activity at the show, the contacts made and resulting business conducted at the Pavilion."

Canadian companies took advantage of Biofach 2005 to investigate market conditions, explore trend-setting innovations and expand business relations with interested European and international agriculture and food industry representatives. It is estimated that on-site sales during the show totalled $5 million for the Canadian organic industry, with additional sales anticipated in the coming months. Good news for exporters!

Chef Gurth Pretty offers his tasty creations made from exhibitors' organic products.

BioFach 2006 will be held from February 16 to 19, 2006, also in Nuremberg.

For more information, contact Sylvain Wilson, International Marketing Officer, Agriculture and Agri-Food Canada, tel.: (613) 759-7226, fax: (613) 759-7506, swilson@agr.gc.ca, Web site: www.biofach.de.

Canada and Germany sign investment agreement

Dr. Urda Martens-Jeebe (centre) signs the Letter of Intent as Assistant Deputy Minister John Klassen (left) and German Ambassador Christian Pauls look on.

Canada signed a Letter of Intent with Germany last month in Ottawa to cooperate on developing investment links, marking Canada's first agreement of this kind focusing on investment. The Letter states that Canada and Germany will explore investment and science & technology opportunities through exchanges of information, best practices, visits, missions, workshops and investment studies.

"The agreement recognizes common interests in developing our mutual investment capacities and enriching our bilateral relationship with Germany," said Assistant Deputy Minister John Klassen, who signed the Letter on behalf of Canada. Dr. Urda Martens-Jeebe, Managing Director of Invest in Germany, signed on behalf of Germany. German Ambassador to Canada Christian Pauls witnessed the deal.

Germany is one of the largest net direct investors in the world, with investment abroad averaging about $45 billion annually. With estimated assets of $7.3 billion in 2004, Germany is currently the sixth-largest foreign direct investor in Canada.

The signing took place on May 6, when International Trade Canada's Investment, Science and Technology branch co-hosted a delegation of 25 participants from the German Federal Ministry of Economics and Labour and from German businesses to explore investment opportunities. **For more information**, go to www.investincanada.gc.ca.

Disney Company hosts Aboriginal procurement fair

The Native American Business Alliance (NABA) conference was hosted this year by corporate sponsor Walt Disney World, in Orlando, Florida. Close to 300 Native American, Canadian Aboriginal and Fortune 500 companies attended the April event to discuss procurement and business opportunities. Aboriginal companies had the chance to meet with minority diversity buyers from major players, including Coca-Cola, Chrysler, Ford, Wal-Mart, Target, General Mills, UPS, IBM and American Express.

"NABA was an excellent event. The level of contacts was outstanding and the advice offered by corporate reps was very useful," said Calvin Helin, President and CEO of NITA HealthWEB (www.nitahealthweb.com), a Canadian Aboriginal business. "We received great response and interest in our advanced electronic health care records system that allows large corporations to cut their health care costs."

One of the prerequisites to do business with Fortune 500 companies as a minority supplier in the U.S. is to be certified with the National Minority Supplier Development Council, an organization which advocates on behalf of American minority-owned businesses and facilitates $80 billion dollars worth of business between major companies and minority suppliers. Canada has recently established its own Canadian Aboriginal and Minority Supplier Council (CAMSC) in Toronto. The CAMSC has strategically affiliated itself with its American counterpart so that Canadian companies on their database will also qualify as minority companies in the U.S. The Council participated in the NABA conference in order to bridge opportunities for Aboriginal firms into the U.S. market.

"NABA was an excellent event. The level of contacts was outstanding and the advice offered by corporate reps was very useful," said President and CEO of NITA HealthWEB Calvin Helin.

The Canadian Consulate General in Miami hosted a Canadian export seminar at the event, which highlighted market opportunities in the U.S. and the expertise of Canadian Aboriginal firms that were in attendance.

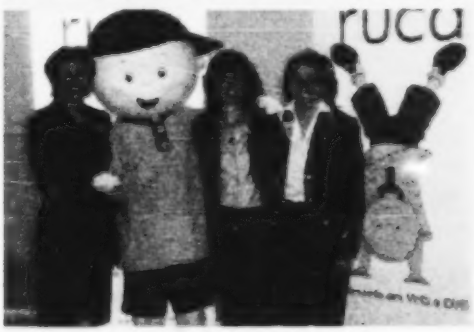
Next April, the NABA conference will be held in Albuquerque, New Mexico (www.native-american-bus.org).

For more information, contact Rosi Niedermayer, ITCan, tel.: (613) 944-0634, e-mail: rosi.niedermayer@international.gc.ca, Web site: www.infoexport.gc.ca. For more on the CAMSC, go to www.camsc.ca.

Caillou charms Portugal

Although he is better known as Ruca in Portugal, most Portuguese pre-schoolers follow Caillou's adventures everyday on the country's state-owned television station. The four-year-old Canadian character has also charmed his way into the hearts of Portuguese parents and has become a huge success since the program first aired on television nearly two years ago.

Recently, an agreement was signed between Caillou's creators—the Canadian company Cookie Jar (formerly CINAR), Elastic Rights (its intermediary in Portugal) and Warner Lusomundo for the distribution rights to Caillou DVDs and videocassettes in Portugal.



From left: Louise Levasseur, Senior Trade Commissioner; Caillou; Fatima Carvalho, Trade Commissioner; and Mercedes Rufino, Public Affairs Officer.

Plans to launch other Caillou products are in the works in Portugal as the character gains popularity. After a successful career take-off in Portugal, Caillou will be looking next door to reach out to Spanish audiences.

New and experienced Canadian companies who are planning to do business in Europe should consider Portugal as a stepping stone to the EU market. The Portuguese are very traditional and prefer to meet new companies through formal channels; our trade commissioners in Lisbon would be pleased to handle the introductions. For novice companies, Portugal is a good place to start.

For more information, contact the Canadian Embassy in Portugal, tel.: (011-351-21) 316-4651, e-mail: lsbon-td@international.gc.ca, Web site: www.infoexport.gc.ca/pt.

THE CANADIAN TRADE COMMISSIONER SERVICE

VIRTUAL TRADE COMMISSIONER
PERSONALIZED INFORMATION AND SERVICES

The Canadian Trade Commissioner Service has partnered with Export Development Canada (EDC) to expand the trade services of the Virtual Trade Commissioner, a personalized on-line tool for Canadian exporters. In addition to providing personalized market information and international business leads, your Virtual Trade Commissioner now provides quick and easy access to EDC's trade finance and risk management tools.

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For more information on the Canadian Trade Commissioner Service and to receive a personalized Virtual Trade Commissioner, visit:

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ICT in Tunis: the world is watching

Tunis, Tunisia > The second phase of the **World Summit on the Information Society** (WSIS) will be held in Tunis from November 16 to 18, 2005. This global event is expected to draw 15,000 participants, including 70 heads of state, from over 190 countries. Numerous private sector representatives will also be in Tunis for the Summit.

The Summit is a UN event focusing on the human dimension of information and communications technologies (ICT), and follows the Geneva 2003 phase. The WSIS aims to address the challenges of the information revolution and to bridge the digital divide between developed and developing countries.

Another important event that will be held alongside the Summit and at the same venue is ***ICT 4 all***, from November 14 to 19, 2005. It will include a large-scale ICT exhibition and areas where networking activities, forums, meetings, round tables and conferences can be organized.

Key stakeholders and decision-makers from the public and private sectors will be taking part, as will international, governmental, non-governmental and non-commercial organizations. It will be an opportunity for participants to build influential relationships, raise their international profile and take advantage of international media coverage.

Canadian ICT exporters will find *ICT 4 all* an excellent forum in which to introduce their ICT knowledge, services, innovations and projects.

Although the exhibition itself is open to the public, participation in some activities requires WSIS accreditation, requests for which must be submitted by August 8, 2005.

For more information, contact Eric Pelletier, Trade Commissioner, Canadian Embassy in Tunis, tel.: (011-216) 71-104-134, fax: (011-216) 71-104-193, e-mail: eric.pelletier@international.gc.ca, Web site: www.ict4all-tunis.org.

Telecommunications and energy on display in Algeria

Algiers, Algeria, September 11-13, 2005 > Two major trade events will take place simultaneously this summer in Algiers: **Alger Telecomp 2005**, the 5th edition of the international telecommunications, information technology, broadcasting and office automation trade fair; and **Alger Energy 2005**, the 4th edition of the international energy, mining, petrochemical and electrical engineering trade fair.

Focusing on two of Algeria's priority sectors, these trade fairs will be excellent venues for Canadian companies to showcase their know-how and take advantage of the new business climate that has emerged following the return of civil peace and economic growth. Excellent results in the hydrocarbons sector and remarkable progress in the liberalization of the telecommunications and hydrocarbons sectors are confirmation of the Algerian market's appeal.

Canadian companies wishing to participate in these trade events are asked to inform the Canadian Embassy in Algiers and contact the organizers directly to reserve a spot.

For more information, contact Rachid Benhacine, Trade Commissioner, Canadian Embassy in Algiers, tel.: (011-213-21) 91-49-51, fax: (011-213-21) 91-47-20, e-mail: rachid.benhacine@international.gc.ca, Web site: www.infoexport.gc.ca/dz. For more details on the fairs and their organizers, go to www.fairtrade-messe.de.

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The Kazakhstan government is determined to maximize local content and preference in employment and procurement. Foreign companies entering this lucrative offshore market must therefore have a willingness to enter into joint ventures with local companies, establish a subsidiary, or incorporate in Kazakhstan as a legal entity with a plan for hiring and training local staff. Achieving business success in Kazakhstan requires a permanent presence in the country and, as in doing business in any country, a strict adherence to the rule of law.

For more information, contact Artur Iralin or Ada Terechshenko, Trade Commissioners, Canadian Embassy in Kazakhstan, tel.: (011-7-3272) 50-11-51, fax: (011-7-3272) 58-24-93, e-mail: almat@international.gc.ca, Web site: www.infoexport.gc.ca/ie-en/Office.jsp?oid=467.

TRADE EVENTS

Osaka, Japan
July 13-14, 2005
CORE-TECH 2005 is an international exhibition on robotics technologies, advanced manufacturing technologies and electronics, held on the margins of the world-famous RoboCup 2005 robotics competition. Canada booths will be available for interested companies.
Contact: Canadian Consulate General in Osaka, e-mail: osaka-td@international.gc.ca.
Web site: www.infoexport.gc.ca/jp

Sandestin, Florida (U.S.)
July 22-24, 2005
The Canadian Consulate General in Atlanta, Georgia, and International Trade Canada invite you to participate in our agricultural EXTUS mission to Sandestin, Florida and to **SPLASH! 2005**, the Georgia Food Industry Association's annual convention.
Contact: Mary Louise Goodie, Trade Commissioner, Canadian Consulate General in Atlanta, tel.: (404) 532-2000, e-mail: marylouise.goodie@international.gc.ca.
Web site: www.gfia.org

Cologne, Germany
October 8-12, 2005
Exhibit in the Canada pavilion at **ANUGA**, the world's largest food and beverage trade fair that will attract over 160,000 buyers from around the world.
Contact: Brian Bonner, Agriculture and Agri-Food Canada, tel.: (613) 759-7642, fax: (613) 694-2449, e-mail: bonnerb@agr.gc.ca.
Web site: www.ats.agr.gc.ca/anuga

Sao Paulo, Brazil
September 28-30, 2005
Analitica Latin America is Latin America's largest international exhibition for laboratory technology, analysis, biotechnology and quality control.
Contact: Canadian Embassy in Brazil, tel.: (011-55-61) 424-5400, fax: (011-55-61) 424-5492, e-mail: brsla-td@international.gc.ca.
Web site: www.analiticanet.com.br

Stockholm, Sweden
October 11-13, 2005
For those in the life science sector, the **BioTech Forum + ScanLab 2005** is the largest and most influential Scandinavian meeting place for all aspects of the biotechnology industry.
Contact: Christian Ekström, Business Development Officer, Canadian Embassy in Sweden, tel.: (011-46-8) 453-3000, fax: (011-46-8) 453-3016, e-mail: stkhm-commerce@international.gc.ca.
Web site: www.biotechforum.org

New Delhi, India
September 13-15, 2005
Take advantage of growing opportunities in the Indian water sector at the 6th **Water Asia - 2005**, an international conference and exhibition for waste water management and drinking water.
Contact: Canadian High Commission in India, tel.: (011-91-11) 5178-2000, e-mail: delhi.commerce@international.gc.ca.
Web site: www.waterasia2005.com

Bangkok, Thailand
October 6-8, 2005
As the leading show in Asia on water technology, products and services, **Aquatech Asia** provides the perfect gateway to these markets in Thailand, Malaysia, Indonesia, the Philippines, Singapore and more.
Contact: Canadian Embassy in Thailand, tel.: (011-66-2) 636-0540, e-mail: bngkk-td@international.gc.ca.
Web site: www.aquatechtrade.com/asia

Skellefteå, Sweden
June 27-July 1, 2005
The **Securing the Future 2005 International Conference** will be a major event in Sweden's non-ferrous mining and metallurgy centre. It will include two days of presentations on mining and environmental protection topics, and one day covering metals and energy recovery.
Contact: Canadian Embassy in Sweden, e-mail: stkhm-td@international.gc.ca.
Web site: www.securing2005.skelleftea.se

Monastir, Tunisia
September 29-October 2, 2005
Participate in the **SIHAM'2005** international apparel exhibition, a major gathering of professionals from the textile and apparel sector that promotes partnerships and joint projects.
Contact: Lassaâd M. Bourguiba, Trade Commissioner, Canadian Embassy in Tunis, tel.: (011-216) 71-104-056, fax: (011-216) 71-104-193, e-mail: lassaad.bourguiba@international.gc.ca.
Web site: www.infoexport.gc.ca/tn

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